normg for determination of tariff for sale of electricity by the generating companies to the SEBs, inter alia, provide for 16 per cent return on equity as part of fixed cost component of the tariff at 68.5 per cent Plant Load Factor (PLF). For performance below 68.5 per cent PLF, there is a prorate reduction in the recovery of fixed cost as a part of the tariff and hence reduced return on equity. The return on equity is linked to the (performance of the power plant and is not a mere guarantee for setting up of the power project.

Earlier projects were allowed to be awarded to the private developers either through the bidding route or througn the MOU route by the State Governments. After 18-2-1995, bidding route for awarding power projects to private developers is mandatory. The details of power projects, which have already been entrusted to private developers alongwith the projects which are being awarded through bidding are given in the Annexure. *[See* Appendix 173, Annexure 661.

(c) and (d) The cost estimates of all the power projects costing more than Rs. 100 crores are examined with rfeerence to their reasonableness by the Central Electricity Authority during the techno-economio clearance and hence the question of inflating the project cost by the private developers does not arise. This automationally keeps a check on the iariff.

Private sector power projects

3467. SHRI KRISHNA KUMAR BIRLA; Will the Minister of POWER be. pleased to state:

(a) whether any power project has been started in the private sector in 1994;

(b) if so, what are the deails hereof;

(c) the extent to which the additional power capacity programmes scheduled for the Eighth Five Year Plan is likely to he achieved; and

(d) what is the anticipated power situation in the country in 1995 and what strategy, if any, has been formulated by Government to meet the power problem in 1995?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI URMILABEN CHIMANBHAI PATEL): (a) and (b) The following private power projects, which were under construction, have been completed during 1994-95:—

1. Dahanu (2x250 MW), Maharashtra
2. Unit-2 (60 MW) of Trombay, Maharashtra
3. Bhira TPS (150 MW), Maharashtra

(c) The capacity addition target fixed for the Eighth Plan is 30537.7 MW against which, as per the latest estimates of Central Electricity Authority, 20729.7 MW of nwe generation capacity is envisaged to be addsd during the plan period.

(d) The anticipated power supplp position in the country in 1995-96 is as under:—

Requirement	—378200 MU
Availability	—351315 MU
Shortage	— 26885 MU
% Shortage	— 7.1 MU

In order to bridge the gap between demand and availability of power, various measures being taken to improve the availability of power in the country include expediting the commissioning of new generating capacity, implementation of short gestation projects, improving the performance of existing power stations, reduction of Transmission and Distribution losses, implementation of better demand management and energy conservation measures, arranging transfer of energy from surplus to deficit areas and promotion of private sector investment in power sector.